

TO DIRECTOR OF CENTRAL INTELLIGENCE

WASHINGTON, D. C. 20505

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30 September 1974

Dr. Albert C. Hall
Assistant Secretary of Defense (Intelligence)
Washington, D.C. 20301

Dear Al:


Mr. P. J. Berenson was kind enough to give me a copy of your draft memorandum for the DCI entitled "The KIQ/KEP Program for FY 75," which you did not send because it had been partially overtaken by discussions at the USIB and the NSCIC.

As you well recognize, the KIQ/KEP program is an innovative experiment designed to achieve several objectives. The program's main purpose is to create an environment in which actual substantive needs -- i.e., the intelligence information and support most needed or desired by the President and his senior advisors -- drive the activities of the entire Intelligence Community and the resource allocations of its several components. Simultaneously, the program represents an attempt to develop the kind of information which will enable line managers to ascertain whether resources are in fact being allocated to programs that satisfy major substantive requirements. One problem, which all of us recognize, is that any list of major substantive needs that is to be of manageable size has to be phrased in fairly broad terms, whereas the kind of informational desiderata that can efficiently serve as parameters for assessing resource allocations -- i.e., the basis for audit trails -- have to be phrased in concrete detail and with considerable precision. Thus, built into the KIQ/KEP program is a certain tension between polar opposites. What we have to do is find the right balance between generality and detail, a balance that will doubtless require two or three years of trial and error to strike.

Your concerns about user participation are understandable, though I hope that in actuality they are not fully warranted. Despite perhaps misleading appearances, the NIOs are not engaged in evaluating their own performance. Instead, they are engaged -- on the DCI's behalf -- in an effort to monitor the Community's performance in meeting the intelligence needs of our major consumers within the NIOs respective areas of functional or geographic responsibility. You are quite correct in stating that neither the NIOs nor the USIB nor the NSCIC adequately represent the users. It is for this reason that the NIOs do indeed work directly with the principal consumers of intelligence, engaging in a continual dialogue with Cabinet-level members of the NSC, their senior subordinates and staffs and even (through the DCI) the President himself. These policy-level consumers are senior officials and busy men who cannot be asked to engage themselves directly in the KEP process. They are, however, consulted on a continuing basis to ensure the accuracy and validity of our perception of their requirements.

Making this new process work is going to require a great deal of cooperative endeavor by us all. We appreciate your continuing interest and hope we will be able to count on the counsel and assistance of your office as we endeavor to give meaning to the DCI's concept.

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George A. Carver, Jr.

Deputy for National Intelligence Officers

cc: Director, DIA
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(Internal)

- 1 - A/DCI
- 1 - ER
- 1 - D/DCI/IC
- (11) - Copies all NIOs and PP
- 1 - GAC Chrono
- 4 - D/NIO ASD(I) file
- 1 - RI